



Shortages continue to keep prices on their toes

The “double whammy“ of war and persistent supply shortages is keeping the world on tenterhooks. The knock-on effects of this inauspicious constellation are anaemic growth and rampant inflation. This interplay of issues is not new, but is proving to be more protracted and severe than expected.

Russia's war of aggression in Ukraine is entailing not only immense human suffering but also far-reaching economic consequences. Infrastructure is being devastated, while wheat exports from the world's most fertile region are stalling. The war is exacerbating the already high price pressure weighing on many goods. In terms of energy supply, there has not yet been a capping of gas deliveries to Germany. However, the threat is still there. Meanwhile, the exchange rate of the Russian rouble has recovered to an astonishing degree. This can be explained by market interventions, but also by recent trends in asymmetrically affected trade flows.

The draconian new lockdowns in China are also contributing to the prevailing goods shortages - an effect which reminds us that the coronavirus pandemic is not over yet either.

In view of the further acceleration in inflation, and of its spread to further categories in the basket of goods and services, it is now imperative that the ECB should follow the example of other central banks and engineer a sea change in interest rates.

The 2022 growth outlook for Germany, and for Europe in general, has clouded over further. The post-coronavirus upswing is having to be postponed yet again. All the same, the situation on the labour market and in the public-finances sphere is looking robust.

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The multiple shock, involving familiar themes, continues to play out

The themes that are currently keeping uncertainty swirling around at a high level are the same as they have been for months now - it is just that the pressures are bearing down on us for longer than originally thought and are, moreover, reinforcing each other. The global economy is confronted with a combination of multiple shocks, the upshots being supply shortages, sluggish growth and unruly inflation. To make matters worse, the Covid-19 virus has not been stamped out either and thus continues to be a variable in the complex equation.

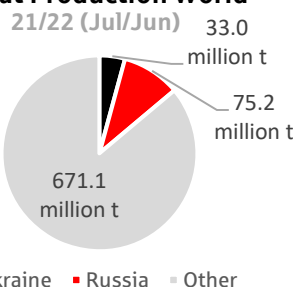
The primordial theme, of course, remains the war raging in the east of our continent. On this front, no short-term solution appears to be in sight at all. The fact that Ukraine is defending itself so successfully against Russia's aggression is the big surprise, and a piece of emphatic good news to come out of this conflict. This interim result is very welcome morally, politically and from the viewpoint of international law. The insight that aggression does not necessarily secure easy successes is a necessary condition for the preservation of the global peace order. The successful defence of Ukraine sends the right signals to, and creates the right incentives for, other potential trouble spots. For this reason, too, it remains of urgent importance for the Western world to support Ukraine politically and materially through all channels, short of entering the war itself.

The moral imperatives bound up with the war take priority

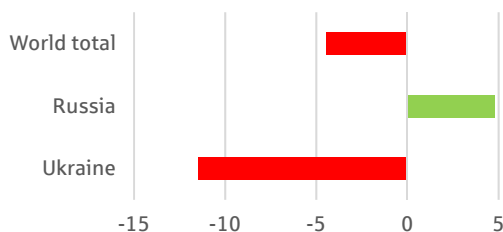
For as long as Russia's machinery of power does not correct its bellicose course, its modus operandi and its objectives, no ceasefire will be feasible. From the point of view of the economic repercussions which are to be considered here, the implication is that the topic of the war in Ukraine is destined to remain on our agenda for a long time. The region is being devastated, and its infrastructure decimated. The G7 countries have pledged liquidity support to Ukraine, and the EU has already signalled that it will participate in setting up a reconstruction fund after the cessation of hostilities. Solid financing for these long-term tasks will have to be ensured.

Meanwhile, for as long as the fighting continues, important goods exports from the war-torn countries - such as wheat exports, where both parties to the conflict are among the largest producers in the world - will fail to materialise. Many emerging countries, which are buyers of these foodstuffs and particularly vulnerable to price increases for basic commodities, are suffering as a result.

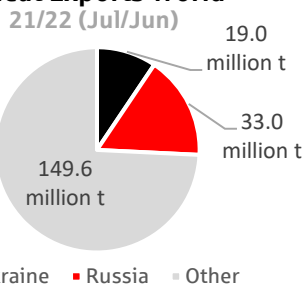
Wheat Production World



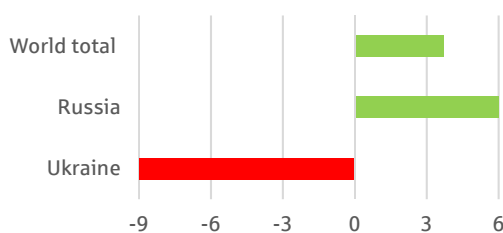
Change from 21/22 to 22/23
in million t



Wheat Exports World



Change from 21/22 to 22/23
in million t



Food prices are also rising significantly in the Federal Republic - the annual inflation rate for grain imports to Germany was running at no less than 53.6 percent in March, for instance. But not only imports are lacking: domestic production is also subject to upside price pressure, e.g. due to more expensive fertiliser or high diesel prices. Accordingly, producer prices of agricultural products in Germany were 34.7 percent higher in March 2022 than a year earlier.

Initial progress has been made in reducing energy dependence, but the sword of Damocles of a gas embargo continues to hover

In Germany’s case, however, it is mainly intermediate industrial inputs that are unavailable and negatively affecting the value-creation chain that is based on them. This effect is, of course, most pronounced in the case of energy goods. It is encouraging that supplier substitution in the coal and oil domains has already progressed quite quickly in recent weeks, and that dependence on Russia has already been significantly reduced. An oil embargo is therefore already included in the European Union’s currently negotiated sanctions package against Russia.

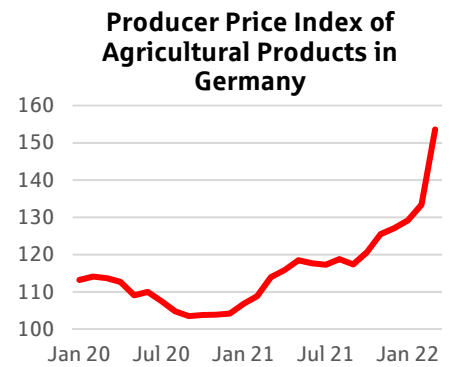
However, there are transition and phase-out periods here. The difficult negotiation compromise also initially only covers imports by tanker, but not by pipeline. These concessions and exceptions had to be conceded in order to bring a number of restraining countries, such as Hungary, on board in a united European approach. Political convictions and negotiating tactics also played a role in the divergent positions of these countries. Nevertheless, it is also true that Hungary, as a landlocked country without its own seaports, objectively has greater difficulties in replacing pipeline-bound Russian supplies.

In the case of natural gas, several countries, including Germany, are in a similar predicament. In most countries, gas is tied even more strongly than oil to supply-route infrastructure in the form of pipelines. In addition, the problems with this key commodity are compounded by the fact that the use of gas not only plays an important role in the energy mix for heating and electricity generation, but is also of great importance as an upstream product in industry - one which, in many cases, cannot be substituted.

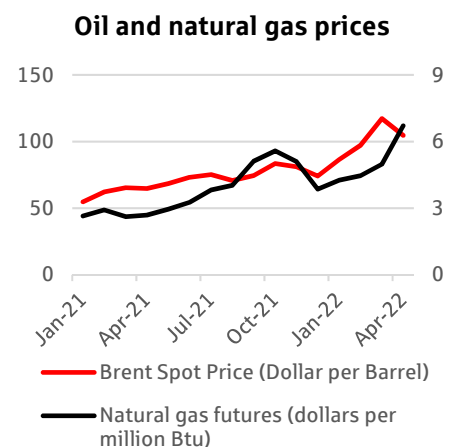
A gas supply embargo, regardless of which side were to ultimately impose it, would have considerable consequences for prosperity, value creation and presumably also employment in Europe and, to a disproportionate extent, in Germany. A hypothetical supply disruption would be a fundamental change for the economic situation, and would have the potential to plunge the German economy into recession in 2022 and especially in 2023.

In the interim, various estimates of the length and depth of such a recession have been published, but it is simply not possible to calculate the concomitant GDP losses in a seriously reliable way. This is because numerous non-linearities are at work here. The quantitative effects cannot be definitively estimated using the customary input-output ratios or price elasticities. For unlike in the case of price changes, even very strong ones, it is now not just a matter of scarcity and scarcity-induced price increases, but of sheer stark non-availability. Which supply chains would ultimately collapse over several stages as a result cannot be fully anticipated by running a theoretical regression analysis. A forewarning as to how much pre-product shortages can grow is provided by the supply shortage story, as we have seen over the last round dozen months.

A complete gas-supply freeze has so far been avoided by both sides. Nevertheless, it is the subject of a fraught poker game between Western customer countries and Russia. There have already been supply cut-offs to individual Eastern European countries (first Poland and Bulgaria, then Finland as Russian “punishment“ for its Western neighbour’s NATO-accession application, last the Netherlands), a temporarily stalled transit through Ukraine, and Russian



Source: Destatis



Source: U.S. Energy Information Administration

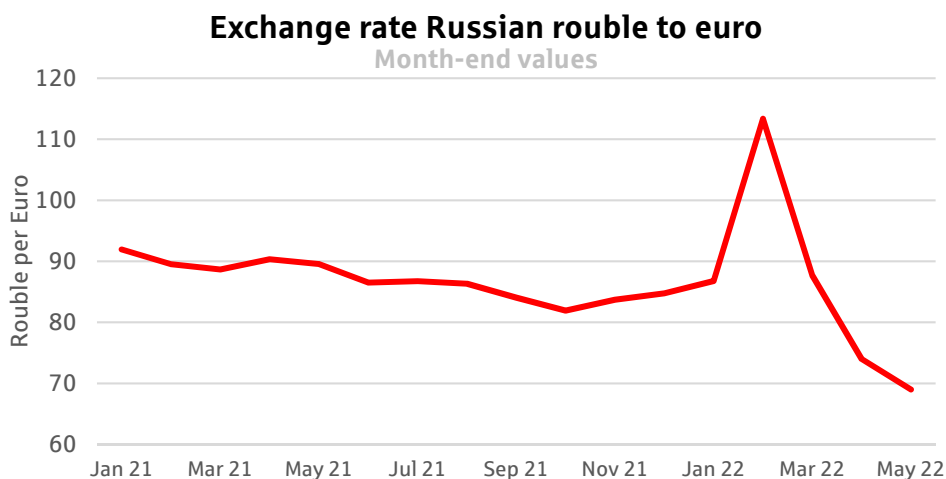
Non-linearities and a plethora of indirect effects make the consequences of a gas-supply embargo hardly calculable

tampering with contractual details. The Russian Republic has presented a counter-sanction list of companies with which it will no longer trade, some of which are the sales and storage-facility subsidiaries of Russian energy companies in Germany and other European countries that have been placed under Western guardianship. It remains to be seen how consistently these countermeasures will be implemented.

The rouble has staged a provisional recovery on forex markets

The latest contractual shenanigans around gas deliveries resemble the skirmish in April over the payment modalities for “unfriendly” countries - settlement in roubles - demanded by the Russian side. At first, this demand appeared to be a major obstacle because hardly any roubles are freely circulating on the market in the West. In the end, though, pragmatic remedies were found for that impasse.

The fact is that the Russian rouble has recovered very strongly on foreign exchange markets in the wake of the crash it experienced immediately after the outbreak of war. Of late, the rouble has even appreciated so much that it has managed to overshoot its pre-war level.



Source: Statista, WSJ

At first glance, this development seems perplexing, as it does not properly square with the disastrous course of the war for Russia and with the ever more stringent sanctions being imposed by the West. The underlying truth is that this exchange rate is not a true market price, but rather the result of a narrow system that is subject to many interventions. The few Russian companies that are still generating export revenues are obliged to hand over a proportion of their foreign-exchange earnings centrally. And even citizens are not free to use currencies as they wish. A spike in the rouble exchange rate is not therefore a unanimous proof of strength.

However, the rouble’s recovery trend can also be explained fundamentally to a certain extent by the way trade relations have been shaping up. Russia’s imports and exports have both fallen sharply in volume terms; however, nominal values have developed differently. Exports from the West to Russia came to an almost complete standstill very quickly. Many companies have largely withdrawn from the Russian market, even beyond the sanction requirements. Already in March (the most recent month for which trade data are available broken down by country), exports from Germany to Russia plummeted by 58.7 percent compared to the same period of the previous year. And this trend is likely to have gathered even more momentum during April and May. Involuntarily, therefore, Russia hardly needs to mobilise any foreign currency for imports at the moment.

In contrast, revenues from Russian exports, mainly for raw materials and energy, still continue to flow to some extent. Admittedly, volumes on this side of trade

Rouble appreciation can also be explained by the fact that trade flows have been asymmetrically affected so far

flows have also collapsed very sharply and are being squeezed further with each further twist of the sanctions screw and with progressively successful substitution efforts. However, due to the marked surge in prices, revenues are still being inflated in nominal terms for the time being. In the first instance, therefore, export receipts have remained more robust than import expenditure for Russia. An inverse image of this is the trade balance of the euro area, which in March showed a monthly deficit which has never before been as large in the whole history of the European Monetary Union. In the short term, the rouble is benefiting from these changes in foreign-exchange supply and foreign-exchange demand due to the shifts in the trade constellation.

The rouble's temporary appreciation is regrettable since detrimental to the intended wake-up call to the Russian population and to the price sensitivity of the sanctions. The signal flashed by the sanctions is nevertheless being perceived, be it through the unavailability of Western goods or through the price increases that are occurring even though the rouble's decline has been reversed. This notwithstanding, rouble depreciation on the scale observed during the currency market's initial reaction in March would have undoubtedly meant that the degree of leverage was greater.

The longer sanctions bite, though, and the more Russian energy deliveries are substituted by other suppliers, the more likely it is that the terms-of-trade effect will reverse again, putting the rouble under renewed pressure.

Global supply chains remain strained - and partly for reasons which have nothing to do with the war

The West too, and therefore Germany as well, are also having to contend with supply-side bottlenecks and unavailability issues, and this continues to be the case quite independently of the war scenario. An illustration of this is that German car production was reported to be a full 20 percent down on a year-over-year basis in March. The root-cause here was still the chip shortage that has been dragging on for so long. And there continues to be surprising negative breaking news about the breadth and duration of the various bottlenecks.

One reason why the situation is still not easing is the re-emergence of lockdowns in China, especially the one in Shanghai. In Shanghai itself, the first steps toward opening up have recently begun. But other cities and regions threaten to follow in similar measures if the pandemic continues. The long geographical detour to China forcibly reminds us that the coronavirus pandemic is still not over. Where living conditions and consumption patterns are visibly normalising in Europe and America, the People's Republic is still in a completely different phase on this front. Although the virus originated there, China managed for the space of two years to weather the pandemic with a significantly lower tally of infections. In the end, though, Beijing appears unable to deal as effectively with the Omicron variant, even after imposing the toughest of measures which would be unimaginable in a free society. What other countries have already suffered is a road still to be travelled for China: it is an unfortunate fact that basic immunisation of the population and quantitative and qualitative vaccination protection are just not at the same level in the Middle Kingdom as in western industrialised countries.

In April, industrial production and retail sales in China both slumped significantly. Against this background, the Chinese central bank has eased its policy stance - thereby bucking the trend among virtually all other central banks worldwide.

Important nodes of global industrial production and export and transportation infrastructure, especially ports, have been effectively paralysed in China for long weeks now. The supply logjam gripping the People's Republic is now being felt in

Shanghai is in lockdown - and goods flows have seized up accordingly

Europe as well after the approximately six-week delay due to the length of time it takes for goods to be shipped to our region.

So the problem entailed by supply-chain snarls therefore remains with us, in a highly ill-aspected confluence of pandemic and war.

Inflation is accelerating unchecked and becoming broader-based

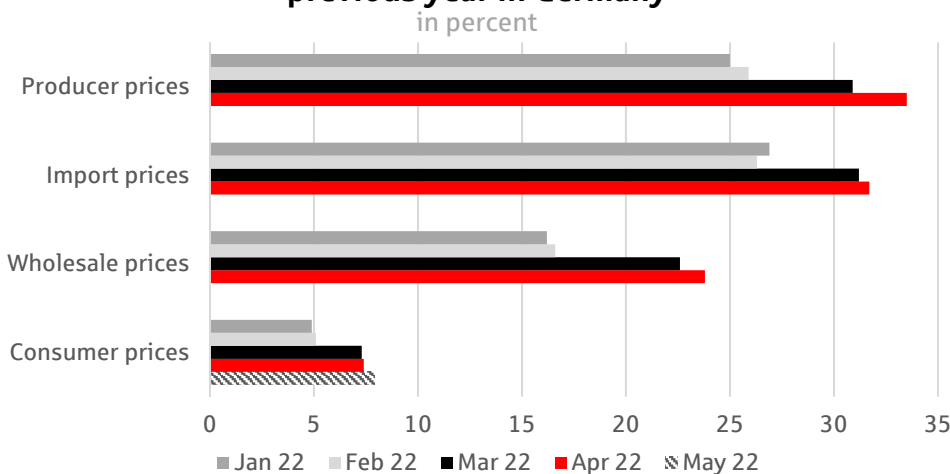
This unholy alliance of factors continues to be clearly reflected in inflation rates. Energy prices have peaked and could now level off and even fall back a little in the next few months thanks to base effects affecting annual rates of change. This is because the price surge already kicked in during the second half of 2021 in the energy complex.

The bad news is that price pressures have recently become more widespread. Core rates are now replicating the trajectory initially followed by energy and commodities and are gradually catching up. Virtually all goods categories are now above the target level. On the basis of the Harmonised Index of Consumer Prices (HICP), the narrowly defined core rate stripping out energy, food, tobacco and alcohol was standing at 3.5 percent in the euro area and at 3.9 percent in Germany in April. Both rates had thus accelerated by more than one percentage point since January. Core rates are now also well above the European Central Bank's target variable, to say nothing of the speeding headline rates.

Price increases are now above target for most goods categories

According to the first estimate for the month of May, the Harmonized Index of Consumer Prices (HICP) in Germany actually rose at an annual rate of 8.7 percent, i.e. even more strongly than in the consumer price index according to the national definition shown in the chart below, which nevertheless already stands at a high 7.9 percent. This indicates that there is further price pressure building up in the pipeline which has not yet fed through to the consumer level is made clear by a look at the "upstream" reaches of the value-added chain. Import prices, producer prices and wholesale prices are all rising at double-digit rates, with upside traction recently even exceeding 30 percent in some cases.

Price increases compared to the same month of the previous year in Germany



Source: Destatis

Monetary policymakers need to act - before the interest rate turnaround in the euro area

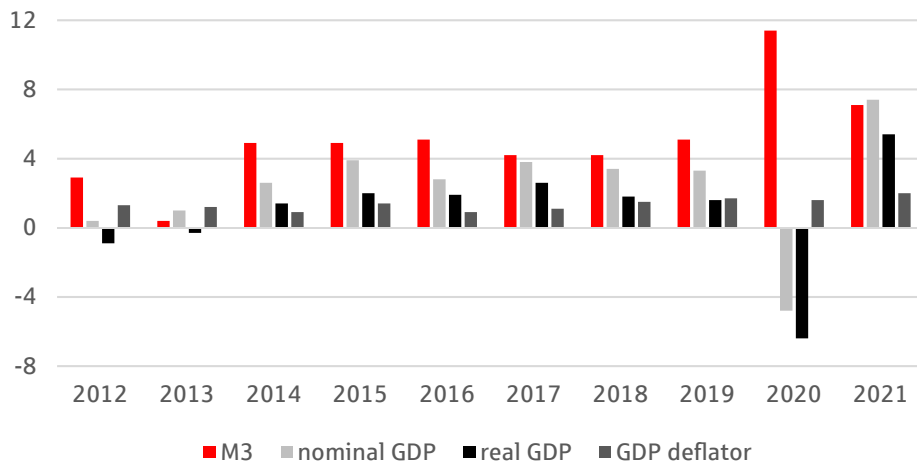
Inflation is not a specific German topic but rather a global phenomenon. In the euro area the flash estimate for consumer prices in May was an annual rise by 8.1 percent. In some countries the development is even more dramatic (e. g. the Baltic states, albeit also due to their special geographic exposition).

In order to stem this out-of-control development, money policymakers urgently need to get back “in front of the curve”, raising key rates enough to outpace inflation dynamics. Interest rates are still negative in the euro area, which does not in any way match the rampant rise of inflation.

It is true that central banks cannot remedy the real shortages on the ground: Higher interest rates can reopen ports neither in Shanghai nor in Odesa. But inflation dynamics are now too strong and too broad-based for monetary policymakers to still wish to hesitate and “look through” these developments. Second-round effects are setting in, spreading even to rising wages, because labour is likewise in short supply. Inflation expectations have become unmoored and are rising. Gas, oil, lumber, semiconductor chips, metals, shipping capacities, wheat, and so on, are all in short supply. Indeed, the only commodity which is not scarce at all is money.

The financial system is metaphorically - and maybe even literally - drowning in excess liquidity, and households have hoarded high savings from the forcibly foregone consumption opportunities which the coronavirus pandemic has ensured in recent years. Admittedly, money-supply growth in the euro area has not been quite as strong as it was a few years ago, when double-digit rates were recorded at times. But the broad monetary aggregate M3 was still growing by 6.3 percent in March - which is still decidedly high for an economy trapped in stagnation for supply-side reasons.

Money supply, real growth and inflation in the euro area, annual rates in percent

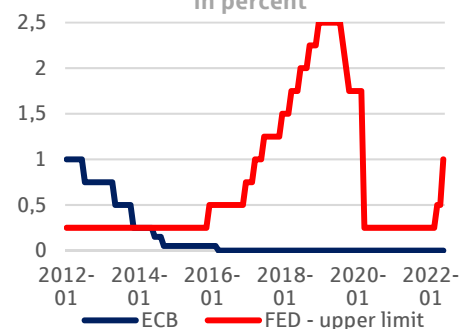


Source: Eurostat, ECB

The ultra-generous liquidity provision of recent years, involving an aggressively expansionary monetary policy, negative interest rates and quantitative easing, did not have the desired effect for a very long time. That is why central banks have been stepping on the gas for an equally long time. But all it takes in such a situation is a spark to ignite inflation at some point. And the sequence of shocks involving a pandemic and a major war has been far more than a mere spark - it would be more appropriate to speak of a veritable firework display.

We expect the ECB to follow the course of other central banks, especially the US Federal Reserve, which has already effected a very decisive policy pivot. At the ECB Governing Council meeting on 9th June 2022, Team Lagarde is likely to decide, first of all, to end net purchases under the Asset Purchase Programme (APP). The eurozone’s monetary policymakers could then save face by following this up - leaving the shortest possible time interval permitted by their pre-announced “sequencing” doctrine requiring net purchases to be discontinued

Key interest rates in percent



Source: Bundesbank, Fred

before an initial policy-rate increase - with a deposit-rate hike in July. The end of the era with (nominal) interest rates in negative territory is nigh.

During May, the trend in the euro exchange rate has also increased the pressure on the ECB to act. Because of the time-lag with which Team Lagarde is replicating the turnaround in interest-rate policy, the euro-dollar pair has depreciated a good deal from above EUR/USD 1.20 to around EUR/USD 1.05 in the mean-time. This bout of depreciation is, via more expensive imports, augmenting inflationary pressure on a euro basis for goods with market prices calculated in other currencies at an inopportune time.

Of course, such a policy path, involving further key-rate steps, would entail a gradual tightening of financing conditions for the economy. However, this tightening of the reins is inevitable in order to break the inflation dynamic. And it needs to be noted that financing conditions still remain relatively favourable. And on a real-interest-rate basis (= nominal interest rate minus inflation rate), interest rates are poised to remain lower - more markedly negative - than ever before during the foreseeable future.

In the face of such multiple tensions, the financial markets have been looking increasingly thin-skinned in recent weeks. On bond markets, the yield trends which are going to be necessary have already been partially priced in. The yield on ten-year German federal bonds (Bunds) has settled above the plus one percent mark with a tendency to further rises. The level reached so far is already as much as 1.5 percentage points higher than last summer, when yields as far out along the curve as in the ten-year segment were still negative too. The spreads on somewhat riskier bonds (issued by lower-rated countries or corporations) have widened to some extent in addition to the general interest-rate trend, but not yet to unmanageably dangerous levels.

Equity markets have likewise been behaving somewhat more nervously in recent weeks. The first pronounced price declines immediately after the outbreak of war were retraced quite quickly in the second half of March; since then, however, stock prices have tended to tank again, both in Europe, the USA and Japan and, for other (country-specific) reasons, in China. The markets are increasingly coming to the conclusion that the multiple shock ("quadruple whammy") of war, supply shortages, high inflation and weak growth is going to affect us for a longer period of time to come.

The prospects for the economic trend going forward during 2022

The fact is that 2022 has now been largely written off already as a potentially positive growth year. This is the case even though demand in goods markets remains solid. In the service industries that are opening up again, in tourism and catering/hospitality, consumers are returning and opening their purses and wallets decidedly wide. To that extent, there is an empirical basis to the post-coronavirus-boom narrative. However, the positive trend in this sector is only having a limited impact on the macroeconomic picture as a whole. The various pressures described above are putting a brake on the development in other areas.

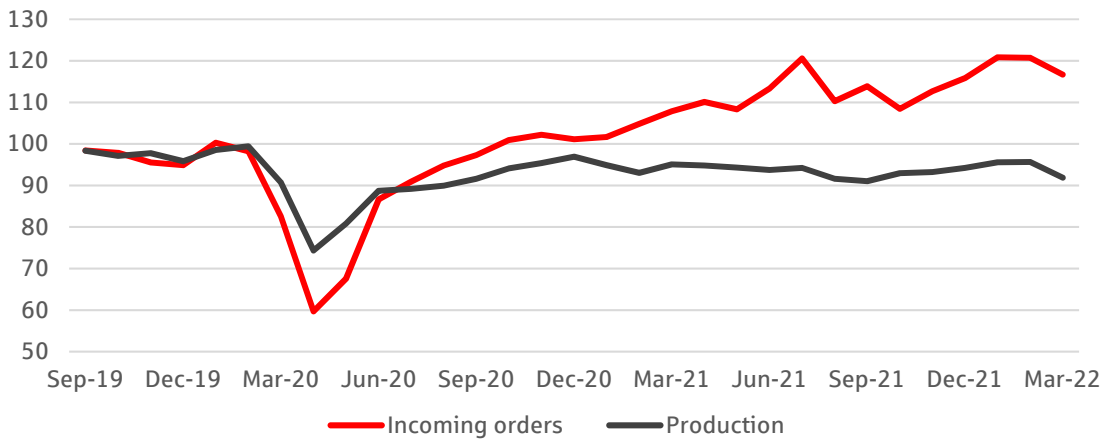
Yet demand in industry too continues to be notably buoyant, with this also still holding true for incoming orders. In previous issues of this series we have repeatedly included the chart below plotting the widening disconnect between orders and production in Germany. Of late, this gap has closed slightly, but unfortunately not in the direction we had been hoping for. Production has not been following orders upwards but, conversely, incoming orders have been correcting downwards.

The weak external value of the euro is aggravating the situation

It is also a reflection of the ECB's hesitancy

Now as before, the supply-side shock is on the front burner

**New orders and production
in the manufacturing sector, Germany**
Indexed to January 2019=100, seasonally adjusted



Source: Destatis

It cannot yet be conclusively stated whether this is because buyers have given up hope of receiving the goods they ordered and do not want to join an ever longer queue - stocks on hand and the order range were still increasing in March, the last month for which figures are available. Based on company surveys, the ifo Institute puts the average order backlog in Germany at four-and-a-half months, while the Federal Statistical Office even reports forward order books of eight months for the manufacturing industry as a whole.

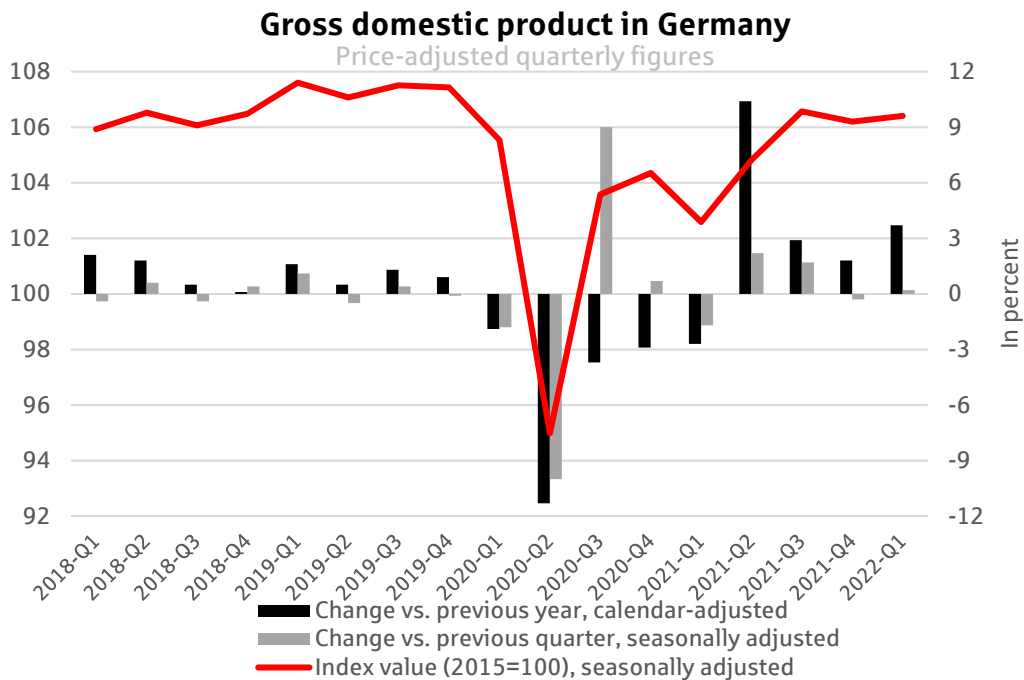
Or is the decline in new orders a reaction to the substantial price increases? While that would dampen growth prospects, it would be understandable and would indeed be, in a sense, a healthy response: only when supply and demand react elastically can equilibria be established. Prices should be allowed to perform their allocation and steering function in a flexible manner.

This also applies to currently high energy prices: these compel consumers to consume more efficiently and lead them to look for alternatives. Rising prices are unpleasant, eroding purchasing power and prosperity, but at the same time they are also “part of the solution“ when shortages occur. As a result, economic policymakers - despite their understandable desire to take pressure off citizens - should not react with instruments that crimp flexible price adjustment.

The allocation function of changes in relative prices should be allowed to operate flexibly

What is certainly beyond doubt is that the decline in production and orders in March constitutes a burden to the outlook for the second quarter and for the rest of the year, as it is an open secret that such burdens have not gone away in the months not yet covered by data.

March - the period following the outbreak of war - has already been proportionately reflected in the national accounts for the first quarter of 2022. The months of January and February were marked by the peaking toll of infections inflicted by the Omicron wave. Against this backdrop, it is both astonishing and gratifying that German GDP managed to end up just above the zero line in the first quarter of the year.



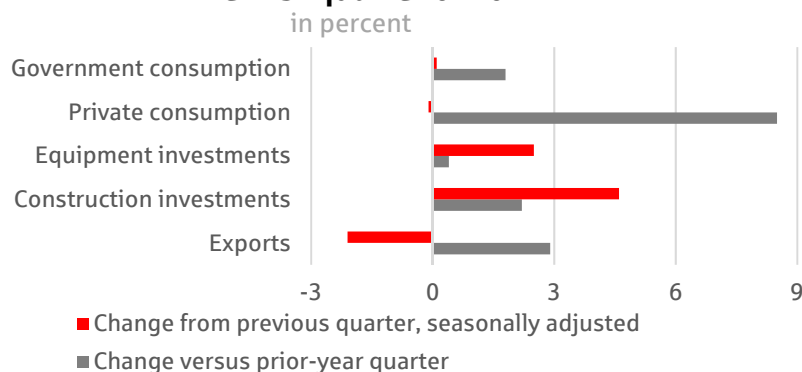
Source: Destatis

Seasonally-adjusted real GDP growth qoq (i.e. compared to the final quarter of 2021) was reported to be +0.2 percent. A “technical” recession (two consecutive quarters of negative GDP growth), which was already threatening last winter after the slight decline in the fourth quarter, was thus narrowly avoided. Nevertheless, growth over the last half year proved weak overall, involving de facto stagflation.

Stagnation was the scenario over the past winter

That growth in the same quarter of the previous year was exceeded by no less than 3.8 percent in the first quarter of 2022 after price and calendar adjustments was due exclusively to the recovery witnessed last summer. In real terms, however, the latest statistics show German GDP to still be below the pre-coronavirus level of 2019 - in contrast to the situation in most emerging markets as well as in some industrialised countries (USA, UK, France).

Expenditure components of GDP in the first quarter of 2022



Source: Destatis

Most recently, in a direct comparison with the previous quarter, foreign trade weighed on GDP development. Regarding domestic demand, investment has been the main source of support; yet capital spending still has the most catching-up to do compared to pre-crisis levels, especially equipment investment. On a year-on-year basis, private consumption has been the main growth driver. The savings rate is gradually normalising.

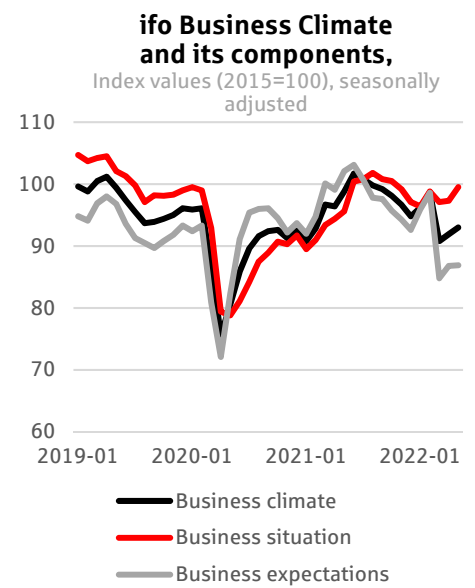
For the second quarter, dominated by war and inflation, the first available monthly indicators are - unsurprisingly - not very promising either. Hopes should not be very high for quarterly GDP growth in the second quarter.

Most forecasts by the relevant institutions are therefore increasingly scaling back their growth projections for the year as a whole. Most recently, on 20th May, the Cologne-based Institute for Economic Research (IW Köln) came out with a forecast of 1.75 percent for German growth in 2022 as a whole. (An overview of other current GDP forecasts is provided in Appendix B.)

Considering that 1.1 percentage points of 2022 annual growth are already a function of the statistical growth overhang from 2021 and that the first quarter of the present year generated positive growth of a mere 0.2 percent, as mentioned above, such a growth outlook does not leave much leeway for upward growth momentum over the course of the year.

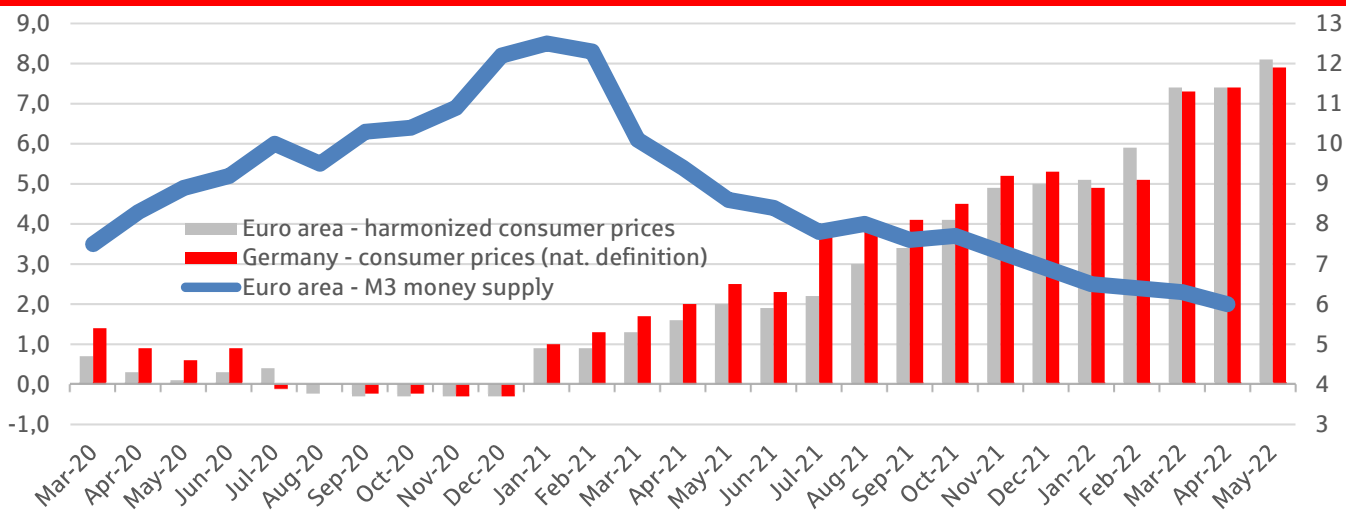
The post-coronavirus upswing, to which so many hopes have been pinned, is once again proving elusive. Unfortunately, there are enough reasons for this on account of the inauspicious combination of shocks delineated above. Nonetheless, the upswing is not completely off the agenda - the latest estimates see it kicking in more towards the end of the current year.

Sentiment indicators have actually recovered somewhat after the massive slippage they suffered immediately after the outbreak of war, mainly (and this is remarkable) because assessments of the current situation are still very much on the favourable side. Other positive aspects worth highlighting are that the employment situation, the earnings position of most companies and the state of public finances have so far proved to be highly resilient in the stagflationary terrain that we are currently traversing.



Source: ifo

D. Consumer prices (left scale) and money supply M3 (right scale), annual rates of change in %.



E. Monthly economic indicators Germany

	January	February	March	April	May
Prices (national definition)	Change compared to the same month of the previous year				
Consumer prices	4.9%	5.1%	7.3%	7.4%	7.9%
- Excluding food and energy (core inflation)	2.9%	3.0%	3.4%	3.8%	-
Producer price of industrial products	25.0%	25.9%	30.9%	33.5%	-
Import prices	2.9%	26.3%	31.2%	-	-
Sentiment indicators					
ifo Business Climate Index	96.2	98.7	90.8	91.9	93.0
ZEW Economic Sentiment	51.7	54.3	-39.3	-41.0	-34.3
Incoming orders	Change compared to the same month of the previous year				
Manufacturing industry	11.3%	4.3%	-3.0%	-	-
from within Germany	9.9%	2.2%	-3.6%	-	-
from abroad	12.2%	5.7%	-2.7%	-	-
Capital goods producers	15.9%	7.4%	2.9%	-	-
Production	Working day adjusted change compared to the same month of the previous year				
Total manufacturing industry	1.1%	3.1%	-3.5%	-	-
Thereof construction	11.7%	9.3%	-0.4%	-	-
thereof industry	-0.4%	1.5%	-4.0%	-	-
Foreign trade	Change compared to the same month of the previous year				
Export	11.4%	14.5%	8.5%	-	-
Import	26.1%	25.0%	22.6%	-	-
Labour market	Unemployment rate/ change in the jobless total compared to the same month of the previous year (1.000s)				
Unemployment rate	5.4%	5.3%	5.1%	5.0%	-
Unemployed	-439	-476	-465	-462	-
Employed persons (with place of work in Germany)	628	698	735	-	-
Employees subject to social security contributions	656	720	-	-	-

F. Commodity, foreign exchange and financial markets

	January	February	March	April	2 nd June
Brent oil price in US \$	86.51	97.13	117.25	104.58	115.13 (30 th)
Exchange rates					
US Dollar / EUR	1.1314	1.1342	1.1019	1.0819	1.0692
Japanese Yen / EUR	130.01	130.66	130.71	136.61	138.72
Stock markets					
German DAX share index, end of month	15,471	14,461	14,414	14,097	14,485
Change compared to the same month of the previous year	13.17%	4.67%	-3.96%	-6.86%	-
Money and capital market interest rates					
Call money (€STR)	-0.578%	-0.577%	-0.579%	-0.584%	-0.582% (1 st)
1-month money (EURIBOR)	-0.57%	-0.55%	-0.54%	-0.54%	-0.54% (1 st)
3-month money (EURIBOR)	-0.56%	-0.53%	-0.50%	-0.45%	-0.34% (1 st)
Current yield of federal bonds with a remaining term of ten years	-0.08%	0.15%	0.57%	0.82%	1.22%
Interest rates of credit institutions, in new business					
Daily deposits of private households in Germany for comparison across the euro area	-0.01% 0.01%	-0.01% 0.01%	-0.01% 0.01%	- -	- -
Deposits from private households up to 1 year in D for comparison across the euro area	0.09% 0.17%	-0.07% 0.16%	0.11% 0.19%	- -	- -
Corporate loans up to € 1 million over 5y in D for comparison across the euro area	1.44% 1.47%	1.45% 1.40%	1.53% 1.46%	- -	- -

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Note

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